



3014 (02-09-04)

ANNUAL REPORT

OF

Name: MEDFORD ELECTRIC UTILITY

Principal Office: 330 S WHELEN AVENUE
P.O. BOX 358
MEDFORD, WI 54451

For the Year Ended: DECEMBER 31, 1998

**WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

SIGNATURE PAGE

I _____ of
(Person responsible for accounts)

MEDFORD ELECTRIC UTILITY, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

(Signature of person responsible for accounts) (Date)

(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: MEDFORD ELECTRIC UTILITY**Utility Address:** 330 S WHELEN AVENUE

P.O. BOX 358

MEDFORD, WI 54451

When was utility organized? 4/18/1944**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: MR MICHAEL FREY**Title:** MANAGER**Office Address:**

330 S WHELEN AVENUE

P.O. BOX 358

MEDFORD, WI 54451

Telephone: (715) 748 - 3211**Fax Number:****E-mail Address:**

Individual or firm, if other than utility employee, preparing this report:

Name: MR CLIFFORD A. WIERNK CPA**Title:** PRNCIPAL**Office Address:** SCHUMAKER, ROMENESKO AND ASSOC., SC

401 5TH STREET, SUITE 339

WAUSAU, WI 54403

Telephone: (715) 842 - 3324**Fax Number:** (715) 842 - 8146**E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

Individual or firm, if other than utility employee, auditing utility records:

Name: MR CLIFFORD A. WIERNIK CPA**Title:** PRINCIPAL**Office Address:** SCHUMAKER, ROMENESO & ASSOC., SC

401 5TH STREET

WAUSAU, WI 54403

Telephone: (715) 842 - 3324**Fax Number:** (715) 842 - 8146**E-mail Address:****Date of most recent audit report:** 2/12/1999**Period covered by most recent audit:** December 31, 1998

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: MR MICHAEL FREY**Title:** MANAGER**Office Address:**

330 S WHELEN AVENUE

P.O. BOX 358

MEDFORD, WI 54451

Telephone: (715) 748 - 3211**Fax Number:****E-mail Address:**

Name of utility commission/committee:

Names of members of utility commission/committee:

MR RONALD DECHATEIETS, MEMBER

MS PEGGY KRASCHNEWSKI, MEMBER

MS ARLENE PARENT, MEMBER

MR GORDON THIELKE, MEMBER

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.077 of the Wisconsin Statutes?** NO**Date of Ordinance:** **Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

Provide the following information regarding the provider(s) of contract services:

Firm Name:

Contact Person:**Title:****Telephone:****Fax Number:****E-mail Address:**

Contract/Agreement beginning-ending dates:**Provide a brief description of the nature of Contract Operations being provided:**

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	5,423,885	5,320,670	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	4,634,135	4,522,184	2
Depreciation Expense (403)	232,277	216,595	3
Amortization Expense (404-407)	0	0	4
Taxes (408)	146,886	149,305	5
Total Operating Expenses	5,013,298	4,888,084	
Net Operating Income	410,587	432,586	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	410,587	432,586	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	422	259	7
Income from Nonutility Operations (417)	0	0	8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	66,200	64,801	10
Miscellaneous Nonoperating Income (421)	0	0	11
Total Other Income	66,622	65,060	
Total Income	477,209	497,646	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	12
Other Income Deductions (426)	0	0	13
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	477,209	497,646	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	155,160	162,701	14
Amortization of Debt Discount and Expense (428)	3,859	3,861	15
Amortization of Premium on Debt--Cr. (429)		0	16
Interest on Debt to Municipality (430)	0	0	17
Other Interest Expense (431)	1,350	1,688	18
Interest Charged to Construction--Cr. (432)		0	19
Total Interest Charges	160,369	168,250	
Net Income	316,840	329,396	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	3,261,361	2,939,811	20
Balance Transferred from Income (433)	316,840	329,396	21
Miscellaneous Credits to Surplus (434)	0	0	22
Miscellaneous Debits to Surplus--Debit (435)	490,489	7,846	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	3,087,712	3,261,361	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Income from Nonutility Operations (417):		
NONE		3
Total (Acct. 417):	0	
Nonoperating Rental Income (418):		
NONE		4
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
Interest on temporary investments	66,200	5
Total (Acct. 419):	66,200	
Miscellaneous Nonoperating Income (421):		
NONE		6
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		7
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		8
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		9
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
Increase in amount appropriated under debt covenants	490,489	10
Total (Acct. 435)--Debit:	490,489	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		11
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		12
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)		4,962			4,962	1
Costs & Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll		4,540			4,540	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	4,540	0	0	4,540	
Net income (or loss)	0	422	0	0	422	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	0	5,423,885	0	0	5,423,885	1
Less: interdepartmental sales	0	91,729	0	0	91,729	2
Less: interdepartmental rents	0	0		0	0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	0	5,332,156	0	0	5,332,156	

DISTRIBUTION OF TOTAL PAYROLL

1. Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
2. The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
3. Provide additional information in the schedule footnotes when necessary.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses			0	1
Electric operating expenses	241,948	6,063	248,011	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses			0	5
Merchandising and jobbing	5,603		5,603	6
Other nonutility expenses			0	7
Water utility plant accounts			0	8
Electric utility plant accounts	42,683		42,683	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant	0		0	13
Accum. prov. for depreciation of electric plant	11,694		11,694	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts	6,063	(6,063)	0	18
All other accounts			0	19
Total Payroll	307,991	0	307,991	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	7,309,969	7,076,852	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	2,143,102	1,963,348	2
Net Utility Plant	5,166,867	5,113,504	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	339	339	6
Special Funds (125)	1,053,533	553,981	7
Total Other Property and Investments	1,053,872	554,320	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	485,333	202,009	8
Temporary Cash Investments (132)		562,076	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	443,096	517,350	11
Other Accounts Receivable (143)	122,868	128,487	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	2,102	14
Materials and Supplies (150)	219,343	209,236	15
Prepayments (165)	15,398	17,299	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	1,286,038	1,638,559	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	63,702	67,560	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	130,344	126,882	20
Total Deferred Debits	194,046	194,442	
Total Assets and Other Debits	7,700,823	7,500,825	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	0	0	21
Appropriated Earned Surplus (215)	890,020	399,531	22
Unappropriated Earned Surplus (216)	3,087,712	3,261,361	23
Total Proprietary Capital	3,977,732	3,660,892	
LONG-TERM DEBT			
Bonds (221)	2,365,000	2,510,000	24
Advances from Municipality (223)	0	0	25
Other Long-Term Debt (224)	0	0	26
Total Long-Term Debt	2,365,000	2,510,000	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	379,957	364,229	28
Payables to Municipality (233)	353,536	375,832	29
Customer Deposits (235)	7,335	7,435	30
Taxes Accrued (236)	105,856	105,856	31
Interest Accrued (237)	14,237	15,007	32
Other Current and Accrued Liabilities (238)	17,628	2,869	33
Total Current and Accrued Liabilities	878,549	871,228	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)	48,927	46,637	35
Other Deferred Credits (253)	0	627	36
Total Deferred Credits	48,927	47,264	
OPERATING RESERVES			
Property Insurance Reserve (261)			37
Injuries and Damages Reserve (262)			38
Pensions and Benefits Reserve (263)			39
Miscellaneous Operating Reserves (265)			40
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	430,615	411,441	41
Total Liabilities and Other Credits	7,700,823	7,500,825	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (101)	0	0	0	7,294,383	1
Utility Plant Purchased or Sold (102)					2
Utility Plant in Process of Reclassification (103)					3
Utility Plant Leased to Others (104)					4
Property Held for Future Use (105)				9,195	5
Completed Construction not Classified (106)					6
Construction Work in Progress (107)				6,391	7
Utility Plant Acquisition Adjustments (108)					8
Other Utility Plant Adjustments (109)					9
Total Utility Plant	0	0	0	7,309,969	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	0	0	0	2,143,102	10
Total Accumulated Provision	0	0	0	2,143,102	
Net Utility Plant	0	0	0	5,166,867	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Electric (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	1,963,348				1,963,348	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	232,277				232,277	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
Transportation	16,599				16,599	9
Salvage	10,863				10,863	10
Other credits (specify):						11
					0	12
Total credits	259,739	0	0	0	259,739	13
Debits during year						14
Book cost of plant retired	61,241				61,241	15
Cost of removal	18,744				18,744	16
Other debits (specify):						17
					0	18
Total debits	79,985	0	0	0	79,985	19
Balance End of Year	2,143,102	0	0	0	2,143,102	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation			0		0	0	1
Other			219,343		219,343	209,236	2
Total Electric Utility					219,343	209,236	

Account	Total End of Year	Amount Prior Year	
Electric utility total	219,343	209,236	1
Water utility		0	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	219,343	209,236	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
1992 Electric System Revenue Bonds	2,538	428	43,783	1
1994 Electric System Revenue Bonds	1,321	428	19,919	2
Total			63,702	
Unamortized premium on debt (251)				
NONE				3
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	0	1
Changes during year (explain):		
NONE		2
Balance end of year	<u><u>0</u></u>	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
1992 Electric System Revenue Bonds	06/01/1992	06/01/2009	5.95%	1,460,000	1
1994 Electric System Revenue Bonds	06/01/1994	06/01/2009	5.10%	905,000	2
Total Bonds (Account 221):				2,365,000	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)
--	----------------------------------	--	----------------------------------	---

NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	105,856	1
Accruals:		
Charged water department expense		2
Charged electric department expense	146,886	3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	146,886	
Taxes paid during year:		
County, state and local taxes	105,856	6
Social Security taxes	18,010	7
PSC Remainder Assessment	6,015	8
Other (explain):		
Gross receipts tax	17,005	9
Total payments and other debits	146,886	
Balance end of year	105,856	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
1992 AND 1994 REVENUE BONDS	13,307	155,160	155,807	12,660	1
Subtotal	13,307	155,160	155,807	12,660	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other Long-Term Debt (224)					
NONE	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
CUSTOMER DEPOSITS	1,700	1,350	1,473	1,577	4
Subtotal	1,700	1,350	1,473	1,577	
Total	15,007	156,510	157,280	14,237	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	0	411,441	0	0	0	411,441	1
Add credits during year:							
For Services		3,325				3,325	2
For Mains						0	3
Other (specify):							
Customer deposits forfeited (time restricted, non-refundable)		15,849				15,849	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	0	430,615	0	0	0	430,615	
Amount of federal and state grants in aid received for utility construction included in End of Year totals						0	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
Medford Co-op stock	339	2
Total (Acct. 124):	339	
Special Funds (125):		
Bond redemption funds	581,866	3
System operation/maintenance funds	288,223	4
System replacement/addition fund	183,444	5
Total (Acct. 125):	1,053,533	
Notes Receivable (141):		
NONE		6
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	29,855	7
Electric	413,241	8
Sewer (Regulated)		9
Other (specify):		
NONE		10
Total (Acct. 142):	443,096	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	89,054	11
Merchandising, jobbing and contract work	8,267	12
Other (specify):		
Refuse	24,952	13
Interest	595	14
Total (Acct. 143):	122,868	
Receivables from Municipality (145):		
NONE		15
Total (Acct. 145):	0	
Prepayments (165):		
Utility tax-Department of Revenue	15,398	16
Total (Acct. 165):	15,398	
Extraordinary Property Losses (182):		
NONE		17
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
Demand side management program	130,344	18
Total (Acct. 183):	130,344	
Payables to Municipality (233):		
WWTP	303	19
City-gasoline, other joint costs paid by city	37,438	20
Water-utility billings	83,554	21
Sewer-utility billings	184,336	22
Cty-refuse billings	47,905	23
Total (Acct. 233):	353,536	
Other Deferred Credits (253):		
NONE		24
Total (Acct. 253):	0	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	0	7,179,638	0	0	7,179,638	1
Materials and Supplies	0	214,289	0	0	214,289	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	0	2,053,225	0	0	2,053,225	4
Customer Advances for Construction		47,782			47,782	5
Contributions in Aid of Construction	0	421,028	0	0	421,028	6
Other (specify):						
NONE					0	7
Average Net Rate Base	0	4,871,892	0	0	4,871,892	
Net Operating Income	0	410,587	0	0	410,587	8
Net Operating Income as a percent of						
Average Net Rate Base	N/A	8.43%	N/A	N/A	8.43%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	0	1
Appropriated Earned Surplus	644,775	2
Unappropriated Earned Surplus	3,174,536	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	3,819,311	
Net Income		
Net Income	316,840	5
Percent Return on Proprietary Capital	8.30%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

June 15, 1999

Mr. Michael Frey, Manager
Medford Electric Utility
330 South Whelen Avenue
P.O. Box 358
Medford, WI 54451-0358

1998 Analytical Review DWCCA-3510-PJL

Dear Mr. Frey:

The Public Service Commission has completed their analytical review of your 1998 annual report. The primary purpose of our analytical review is to detect possible accounting related errors and to identify significant fluctuations from prior year's data, which are not sufficiently explained in the footnotes of your annual report. Our review did not identify any such issues. We are closing the review of your 1998 annual report.

Thank you for your efforts in preparing your 1998 annual report. If you have any questions, please feel free to contact me at (608) 267-9198.

Sincerely,

Peter J. Leege
Financial Specialist
Division of Water, Compliance, and Consumer Affairs

PJL:tlk:w:\compl\1998 analytical review letters\june 15 1999 letters L.doc

cc: Mr. Ronald Dechatelets, Member

ELECTRIC OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Electricity		
Sales of Electricity (440-448)	5,406,793	1
Total Sales of Electricity	5,406,793	
Other Operating Revenues		
Forfeited Discounts (450)	9,622	2
Miscellaneous Service Revenues (451)	457	3
Sales of Water and Water Power (453)	0	4
Rent from Electric Property (454)	6,392	5
Interdepartmental Rents (455)	0	6
Other Electric Revenues (456)	621	7
Amortization of Construction Grants (457)	0	8
Total Other Operating Revenues	17,092	
Total Operating Revenues	5,423,885	
Operation and Maintenance Expenses		
Power Production Expenses (500-546)	4,198,645	9
Transmission Expenses (550-553)	0	10
Distribution Expenses (560-576)	169,072	11
Customer Accounts Expenses (901-904)	69,673	12
Sales Expenses (910)	329	13
Administrative and General Expenses (920-935)	196,416	14
Total Operation and Maintenance Expenses	4,634,135	
Other Expenses		
Depreciation Expense (403)	232,277	15
Amortization Expense (404-407)		16
Taxes (408)	146,886	17
Total Other Expenses	379,163	
Total Operating Expenses	5,013,298	
NET OPERATING INCOME	410,587	

OTHER OPERATING REVENUES (ELECTRIC)

1. Report revenues relating to each account and fully describe each item using other than the account title.
 2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.

Particulars (a)	Amount (b)	
Forfeited Discounts (450):		
Customer late payment charges	9,622	1
Other (specify):		
NONE		2
Total Forfeited Discounts (450)	9,622	
Miscellaneous Service Revenues (451):		
Miscellaneous	457	3
Total Miscellaneous Service Revenues (451)	457	
Sales of Water and Water Power (453):		
NONE		4
Total Sales of Water and Water Power (453)	0	
Rent from Electric Property (454):		
Pole contracts, telephone, CATV	6,392	5
Total Rent from Electric Property (454)	6,392	
Interdepartmental Rents (455):		
NONE		6
Total Interdepartmental Rents (455)	0	
Other Electric Revenues (456):		
Sales tax collections discounts	621	7
Total Other Electric Revenues (456)	621	
Amortization of Construction Grants (457):		
NONE		8
Total Amortization of Construction Grants (457)	0	

ELECTRIC OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
POWER PRODUCTION EXPENSES		
STEAM POWER GENERATION EXPENSES		
Operation Supervision and Labor (500)		1
Fuel (501)		2
Operation Supplies and Expenses (502)		3
Steam from Other Sources (503)		4
Steam Transferred -- Credit (504)		5
Maintenance of Steam Production Plant (506)		6
Total Steam Power Generation Expenses	0	
HYDRAULIC POWER GENERATION EXPENSES		
Operation Supervision and Labor (530)		7
Water for Power (531)		8
Operation Supplies and Expenses (532)		9
Maintenance of Hydraulic Production Plant (535)		10
Total Hydraulic Power Generation Expenses	0	
OTHER POWER GENERATION EXPENSES		
Operation Supervision and Labor (538)		11
Fuel (539)		12
Operation Supplies and Expenses (540)		13
Maintenance of Other Power Production Plant (543)		14
Total Other Power Generation Expenses	0	
OTHER POWER SUPPLY EXPENSES		
Purchased Power (545)	4,198,645	15
Other Expenses (546)		16
Total Other Power Supply Expenses	4,198,645	
Total Power Production Expenses	4,198,645	
TRANSMISSION EXPENSES		
Operation Supervision and Labor (550)		17
Operation Supplies and Expenses (551)		18

ELECTRIC OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
TRANSMISSION EXPENSES		
Maintenance of Transmission Plant (553)		19
Total Transmission Expenses	<u>0</u>	
DISTRIBUTION EXPENSES		
Operation Supervision Expenses (560)	8,805	20
Line and Station Labor (561)	32,344	21
Line and Station Supplies and Expenses (562)	20,014	22
Street Lighting and Signal System Expenses (565)	9,246	23
Meter Expenses (566)	6,571	24
Customer Installations Expenses (567)	687	25
Miscellaneous Distribution Expenses (569)	12,252	26
Maintenance of Structures and Equipment (571)	6,041	27
Maintenance of Lines (572)	69,755	28
Maintenance of Line Transformers (573)	368	29
Maintenance of Street Lighting and Signal Systems (574)	2,989	30
Maintenance of Meters (575)		31
Maintenance of Miscellaneous Distribution Plant (576)		32
Total Distribution Expenses	<u>169,072</u>	
CUSTOMER ACCOUNTS EXPENSES		
Meter Reading Labor (901)	18,531	33
Accounting and Collecting Labor (902)	42,117	34
Supplies and Expenses (903)	9,025	35
Uncollectible Accounts (904)		36
Total Customer Accounts Expenses	<u>69,673</u>	
SALES EXPENSES		
Sales Expenses (910)	329	37
Total Sales Expenses	<u>329</u>	

ELECTRIC OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
ADMINISTRATIVE AND GENERAL EXPENSES		
Administrative and General Salaries (920)	62,628	38
Office Supplies and Expenses (921)	3,061	39
Administrative Expenses Transferred -- Credit (922)	0	40
Outside Services Employed (923)	6,546	41
Property Insurance (924)	12,468	42
Injuries and Damages (925)	5,889	43
Employee Pensions and Benefits (926)	74,018	44
Regulatory Commission Expenses (928)	16,322	45
Miscellaneous General Expenses (930)	15,475	46
Transportation Expenses (933)		47
Maintenance of General Plant (935)	9	48
Total Administrative and General Expenses	196,416	
Total Operation and Maintenance Expenses	4,634,135	

TAXES (ACCT. 408 - ELECTRIC)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent	N/A	105,856	1
Social Security	N/A	18,010	2
Wisconsin Gross Receipts Tax	Based on revenues	17,005	3
PSC Remainder Assessment	Based on revenues	6,015	4
Other (specify): NONE			5
Total tax expense		146,886	

PROPERTY TAX EQUIVALENT (ELECTRIC)

1. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
2. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
3. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
4. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
5. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.069(1)(c). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
6. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Taylor				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.193350				3
County tax rate	mills		7.809508				4
Local tax rate	mills		5.311873				5
School tax rate	mills		8.978849				6
Voc. school tax rate	mills		1.747273				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		24.040853				10
Less: state credit	mills		1.646657				11
Net tax rate	mills		22.394196				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		5.311873				14
Combined School Tax Rate	mills		10.726122				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		16.037995				17
Total Tax Rate	mills		24.040853				18
Ratio of Local and School Tax to Total	dec.		0.667114				19
Total tax net of state credit	mills		22.394196				20
Net Local and School Tax Rate	mills		14.939487				21
Utility Plant, Jan. 1	\$	7,076,852	7,076,852				22
Materials & Supplies	\$	209,236	209,236				23
Subtotal	\$	7,286,088	7,286,088				24
Less: Plant Outside Limits	\$	1,039,890	1,039,890				25
Taxable Assets	\$	6,246,198	6,246,198				26
Assessment Ratio	dec.		1.035106				27
Assessed Value	\$	6,465,477	6,465,477				28
Net Local & School Rate	mills		14.939487				29
Tax Equiv. Computed for Current Year	\$	96,591	96,591				30
Tax Equivalent per 1994 PSC Report	\$	105,856					31
Any lower tax equivalent as authorized by municipality (see note 5)	\$						32
Tax equiv. for current year (see note 5)	\$	105,856					34

ELECTRIC UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)
INTANGIBLE PLANT		
Organization (301)	0	1
Franchises and Consents (302)	0	2
Miscellaneous Intangible Plant (303)	0	3
Total Intangible Plant	0	0
STEAM PRODUCTION PLANT		
Land and Land Rights (310)	0	4
Structures and Improvements (311)	0	5
Boiler Plant Equipment (312)	0	6
Engines and Engine Driven Generators (313)	0	7
Turbogenerator Units (314)	0	8
Accessory Electric Equipment (315)	0	9
Miscellaneous Power Plant Equipment (316)	0	10
Total Steam Production Plant	0	0
HYDRAULIC PRODUCTION PLANT		
Land and Land Rights (330)	0	11
Structures and Improvements (331)	0	12
Reservoirs, Dams and Waterways (332)	0	13
Water Wheels, Turbines and Generators (333)	0	14
Accessory Electric Equipment (334)	0	15
Miscellaneous Power Plant Equipment (335)	0	16
Roads, Railroads and Bridges (336)	0	17
Total Hydraulic Production Plant	0	0
OTHER PRODUCTION PLANT		
Land and Land Rights (340)	0	18
Structures and Improvements (341)	0	19
Fuel Holders, Producers and Accessories (342)	0	20
Prime Movers (343)	0	21
Generators (344)	0	22
Accessory Electric Equipment (345)	0	23
Miscellaneous Power Plant Equipment (346)	0	24
Total Other Production Plant	0	0
TRANSMISSION PLANT		
Land and Land Rights (350)	243	25

ELECTRIC UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
STEAM PRODUCTION PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Boiler Plant Equipment (312)			0 6
Engines and Engine Driven Generators (313)			0 7
Turbogenerator Units (314)			0 8
Accessory Electric Equipment (315)			0 9
Miscellaneous Power Plant Equipment (316)			0 10
Total Steam Production Plant	0	0	0
HYDRAULIC PRODUCTION PLANT			
Land and Land Rights (330)			0 11
Structures and Improvements (331)			0 12
Reservoirs, Dams and Waterways (332)			0 13
Water Wheels, Turbines and Generators (333)			0 14
Accessory Electric Equipment (334)			0 15
Miscellaneous Power Plant Equipment (335)			0 16
Roads, Railroads and Bridges (336)			0 17
Total Hydraulic Production Plant	0	0	0
OTHER PRODUCTION PLANT			
Land and Land Rights (340)			0 18
Structures and Improvements (341)			0 19
Fuel Holders, Producers and Accessories (342)			0 20
Prime Movers (343)			0 21
Generators (344)			0 22
Accessory Electric Equipment (345)			0 23
Miscellaneous Power Plant Equipment (346)			0 24
Total Other Production Plant	0	0	0
TRANSMISSION PLANT			
Land and Land Rights (350)			243 25

ELECTRIC UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION PLANT			
Structures and Improvements (352)	0		26
Station Equipment (353)	0		27
Towers and Fixtures (354)	202,092		28
Poles and Fixtures (355)	116,512		29
Overhead Conductors and Devices (356)	310,937		30
Underground Conduit (357)	0		31
Underground Conductors and Devices (358)	0		32
Roads and Trails (359)	0		33
Total Transmission Plant	629,784	0	
DISTRIBUTION PLANT			
Land and Land Rights (360)	10,408		34
Structures and Improvements (361)	50,946		35
Station Equipment (362)	1,306,177	8,044	36
Storage Battery Equipment (363)	0		37
Poles, Towers and Fixtures (364)	736,308	25,673	38
Overhead Conductors and Devices (365)	827,792	21,121	39
Underground Conduit (366)	4,827		40
Underground Conductors and Devices (367)	399,696	27,156	41
Line Transformers (368)	1,058,961	50,480	42
Services (369)	338,978	28,576	43
Meters (370)	260,202	5,726	44
Installations on Customers' Premises (371)	0		45
Leased Property on Customers' Premises (372)	0		46
Street Lighting and Signal Systems (373)	642,672	114,666	47
Total Distribution Plant	5,636,967	281,442	
GENERAL PLANT			
Land and Land Rights (389)	31,102		48
Structures and Improvements (390)	459,397		49
Office Furniture and Equipment (391)	23,063	2,700	50
Computer Equipment (391.1)	36,880	4,793	51
Transportation Equipment (392)	32,139		52
Stores Equipment (393)	1,277		53
Tools, Shop and Garage Equipment (394)	12,546	1,030	54
Laboratory Equipment (395)	31,777	765	55
Power Operated Equipment (396)	160,920		56
Communication Equipment (397)	8,013		57

ELECTRIC UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION PLANT				
Structures and Improvements (352)			0	26
Station Equipment (353)			0	27
Towers and Fixtures (354)			202,092	28
Poles and Fixtures (355)			116,512	29
Overhead Conductors and Devices (356)			310,937	30
Underground Conduit (357)			0	31
Underground Conductors and Devices (358)			0	32
Roads and Trails (359)			0	33
Total Transmission Plant	0	0	629,784	
DISTRIBUTION PLANT				
Land and Land Rights (360)			10,408	34
Structures and Improvements (361)			50,946	35
Station Equipment (362)	13,014	1	1,301,208	36
Storage Battery Equipment (363)			0	37
Poles, Towers and Fixtures (364)	5,028	1	756,954	38
Overhead Conductors and Devices (365)	5,191		843,722	39
Underground Conduit (366)			4,827	40
Underground Conductors and Devices (367)	255	(1)	426,596	41
Line Transformers (368)	6,100		1,103,341	42
Services (369)	2,166		365,388	43
Meters (370)	3,625	1	262,304	44
Installations on Customers' Premises (371)			0	45
Leased Property on Customers' Premises (372)			0	46
Street Lighting and Signal Systems (373)	7,660	(2)	749,676	47
Total Distribution Plant	43,039	0	5,875,370	
GENERAL PLANT				
Land and Land Rights (389)			31,102	48
Structures and Improvements (390)			459,397	49
Office Furniture and Equipment (391)	3,158		22,605	50
Computer Equipment (391.1)	15,044		26,629	51
Transportation Equipment (392)			32,139	52
Stores Equipment (393)			1,277	53
Tools, Shop and Garage Equipment (394)			13,576	54
Laboratory Equipment (395)		(1)	32,541	55
Power Operated Equipment (396)		1	160,921	56
Communication Equipment (397)			8,013	57

ELECTRIC UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)
GENERAL PLANT		
Miscellaneous Equipment (398)	1,029	58
Other Tangible Property (399)	0	59
Total General Plant	798,143	9,288
Total utility plant in service directly assignable	7,064,894	290,730
 Common Utility Plant Allocated to Electric Department	 0	 60
 Total utility plant in service	 7,064,894	 290,730

ELECTRIC UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
GENERAL PLANT			
Miscellaneous Equipment (398)			1,029 58
Other Tangible Property (399)			0 59
Total General Plant	18,202	0	789,229
Total utility plant in service directly assignable	61,241	0	7,294,383
Common Utility Plant Allocated to Electric Department			0 60
Total utility plant in service	61,241	0	7,294,383

TRANSMISSION AND DISTRIBUTION LINES

Classification (a)	Miles of Pole Line Owned	
	Net Additions During Year (b)	Total End of Year (c)
Primary Distribution System Voltage(s) -- Urban		
2.4/4.16 kV (4kV)		6.90
7.2/12.5 kV (12kV)		44.18
14.4/24.9 kV (25kV)		
Other:		
NONE		
Primary Distribution System Voltage(s) -- Rural		
2.4/4.16 kV (4kV)		
7.2/12.5 kV (12kV)	0.30	59.78
14.4/24.9 kV (25kV)		
Other:		
NONE		
Transmission System		
34.5 kV		
69 kV		2.56
115 kV		
138 kV		
Other:		
NONE		

RURAL LINE CUSTOMERS

Rural lines are those serving mainly rural or farm customers. Farm customers are those on a tract of land, 10 or more acres used mainly to produce farm products, or those on any place of 10 acres or less where customer devotes his entire time thereon to agriculture. Rural customers are those billed under distinct rural or farm rates.

Particulars (a)	Amount (b)	
Customers added on rural lines during year:		1
Farm Customers	0	2
Nonfarm Customers	14	3
Total	14	4
Customers on rural lines at end of year:		5
Rural Customers (served at rural rates):		6
Farm		7
Nonfarm		8
Total	0	9
Customers served at other than rural rates:		10
Farm	39	11
Nonfarm	558	12
Total	597	13
Total customers on rural lines at end of year	597	14

MONTHLY PEAK DEMAND AND ENERGY USAGE

1. Report hereunder the information called for pertaining to simultaneous peak demand established monthly and monthly energy usage col. (f) (in thousands of kilowatt-hours).
2. Monthly peak col. (b) (reported as actual number) should be respondent's maximum kw. load as measured by the sum of its coincidental net generation and purchases plus or minus net interchange, minus temporary deliveries (not interchange) of emergency power to another system.
3. Monthly energy usage should be the sum of respondent's net generation for load and purchases plus or minus net interchange and plus or minus net transmission or wheeling. Total for the year should agree with Total Source of Energy on the Electric Energy Account schedule.
4. If the utility has two or more power systems not physically connected, the information called for below should be furnished for each system.
5. Time reported in column (e) should be in military time (e.g., 6:30 pm would be reported as 18:30).

Monthly Peak					Monthly Energy Usage	
Month (a)		kW (b)	Day of Week (c)	Date (MM/DD/YYYY) (d)	Time Beginning (HH:MM) (e)	(kWh) (000's) (f)
January	01	20,307	Tuesday	01/13/1998	09:15	10,517
February	02	18,942	Wednesday	02/18/1998	10:00	9,336
March	03	19,277	Monday	03/16/1998	10:30	10,053
April	04	18,854	Wednesday	04/01/1998	10:15	9,259
May	05	20,429	Tuesday	05/19/1998	13:00	9,542
June	06	21,031	Thursday	06/25/1998	12:00	10,430
July	07	21,874	Tuesday	07/14/1998	14:30	10,738
August	08	20,895	Thursday	08/20/1998	14:30	10,835
September	09	19,981	Monday	09/14/1998	10:15	10,063
October	10	18,752	Thursday	10/22/1998	10:30	10,228
November	11	19,501	Friday	11/20/1998	10:15	9,811
December	12	20,266	Tuesday	12/22/1998	09:15	10,570
Total		240,109				121,382

System Name Medford Electric Utility

State type of monthly peak reading (instantaneous 0, 15, 30, or 60 minutes integrated) and supplier.

Type of Reading	Supplier
15 minutes integrated	Northern States Power Co.

ELECTRIC ENERGY ACCOUNT

Particulars (a)		kWh (000's) (b)	
Source of Energy			
Generation (excluding Station Use):			
Fossil Steam			1
Nuclear Steam			2
Hydraulic			3
Internal Combustion Turbine			4
Internal Combustion Reciprocating			5
Non-Conventional (wind, photovoltaic, etc.)			6
Total Generation		0	7
Purchases		121,384	8
Interchanges:	In (gross)		9
	Out (gross)		10
	Net	0	11
Transmission for/by others (wheeling):	Received		12
	Delivered		13
	Net	0	14
Total Source of Energy		121,384	15
Disposition of Energy			
Sales to Ultimate Consumers (including interdepartmental sales)		117,980	18
Sales For Resale		0	19
Energy Used by the Company (excluding station use):			20
Electric Utility		45	21
Common (office, shops, garages, etc. serving 2 or more util. depts.)			22
Total Used by Company		45	23
Total Sold and Used		118,025	24
Energy Losses:			25
Transmission Losses (if applicable)			26
Distribution Losses		3,359	27
Total Energy Losses		3,359	28
Loss Percentage (% Total Energy Losses of Total Source of Energy)		2.7673%	29
Total Disposition of Energy		121,384	30

SALES OF ELECTRICITY BY RATE SCHEDULE

1. Column (e) is the sum of the 12 monthly peak demands for all of the customers in each class.
 2. Column (f) is the sum of the 12 monthly customer (or distribution) demands for all of the customers in each class.

Type of Sales/Rate Class Title (a)	Rate Schedule (b)	Avg. No. of Customers (c)	kWh (000 Omitted) (d)	
Residential Sales				
Residential	RG-1	2,491	21,019	1
Total Sales for Residential Sales		2,491	21,019	
Commercial & Industrial				
Commercial and Industrial 2	CP-1	35	9,206	2
Commercial and Industrial 3	CP-2	21	33,719	3
Commercial and Industrial 4	CP-3	4	41,652	4
Commercial and Industrial 5	GI-1	67	83	5
Commercial and Industrial	GS-1	436	11,521	6
Commercial and Industrial 1	GS-2	1	17	7
Commercial and Industrial 6	MS-2	2	18	8
Total Sales for Commercial & Industrial		566	96,216	
Public Street & Highway Lighting				
Public street and highway	MS-1	1	745	9
Total Sales for Public Street & Highway Lighting		1	745	
Sales for Resale				
NONE				10
Total Sales for Sales for Resale		0	0	
TOTAL SALES FOR ELECTRICITY		3,058	117,980	

SALES OF ELECTRICITY BY RATE SCHEDULE (cont.)

Demand kW (e)	Customer or Distribution kW (f)	Tariff Revenues (g)	PCAC Revenues (h)	Total Revenues (g)+(h)	
		1,125,883	4,078	1,129,961	1
0	0	1,125,883	4,078	1,129,961	
29,740	35,540	457,808	2,412	460,220	2
86,960	98,255	1,478,081	11,679	1,489,760	3
86,075	94,799	1,629,960	15,248	1,645,208	4
		2,633	16	2,649	5
		593,326	3,303	596,629	6
		655	(2)	653	7
		638	22	660	8
202,775	228,594	4,163,101	32,678	4,195,779	
		81,038	15	81,053	9
0	0	81,038	15	81,053	
				0	10
0	0	0	0	0	
202,775	228,594	5,370,022	36,771	5,406,793	

PURCHASED POWER STATISTICS

Use separate columns for each point of delivery, where a different wholesale supplier contract applies.

Particulars	(b)		(c)		
(a)					
Name of Vendor	Northern States Pwr		Northern States Pwr		1
Point of Delivery	North Sub		South Sub 1		2
Type of Power Purchased (firm, dump, etc.)	Firm		Firm		3
Voltage at Which Delivered	69kV		69kV		4
Point of Metering	Substation-Low Side		Substation-Low Side		5
Total of 12 Monthly Maximum Demands -- kW	77,415		60,022		6
Average load factor	63.6244%		63.3398%		7
Total Cost of Purchased Power					8
Average cost per kWh	0.0000		0.0000		9
On-Peak Hours (if applicable)	9am-9pm Mon-Fri		9am-9pm Mon-Fri		10
Monthly purchases --- kWh (000):	On-peak	Off-peak	On-peak	Off-peak	11
January	1,357	1,844	1,071	1,371	12
February	1,253	1,663	1,023	1,197	13
March	1,356	1,733	1,066	1,278	14
April	1,211	1,621	942	1,106	15
May	1,181	1,664	966	1,264	16
June	1,287	1,651	1,088	1,286	17
July	1,353	1,678	1,127	1,314	18
August	1,291	1,773	1,060	1,354	19
September	1,260	1,588	1,019	1,256	20
October	1,296	1,703	1,049	1,306	21
November	1,252	1,739	938	1,252	22
December	1,383	1,819	1,054	1,366	23
Total kWh (000)	15,480	20,476	12,403	15,350	24
					25
					26
					27
					28
	(d)		(e)		
Name of Vendor	Northern States Pwr		Northern States Pwr		29
Point of Delivery	South Sub 2		Whelen Sub		30
Voltage at Which Delivered	Firm		Firm		31
Point of Metering	69kV		69kV		32
Type of Power Purchased (firm, dump, etc.)	Substation-Low Side		Substation-Low Side		33
Total of 12 Monthly Maximum Demands -- kW	75258		43227		34
Average load factor	68.6479%		63.2691%		35
Total Cost of Purchased Power					36
Average cost per kWh	0.0000		0.0000		37
On-Peak Hours (if applicable)	9am-9pm Mon-Fri		9am-9pm Mon-Fri		38
Monthly purchases --- kWh (000):	On-peak	Off-peak	On-peak	Off-peak	39
January	1,270	1,861	772	971	40
February	1,159	1,620	672	750	41
March	1,271	1,674	787	888	42
April	1,200	1,566	733	881	43
May	1,220	1,697	700	851	44
June	1,480	1,988	792	859	45
July	1,503	1,971	861	933	46
August	1,445	2,128	823	962	47
September	1,392	1,929	753	866	48
October	1,318	1,906	763	888	49
November	1,175	1,818	724	913	50
December	1,289	1,834	806	1,017	51
Total kWh (000)	15,722	21,992	9,186	10,779	52

PRODUCTION STATISTICS TOTALS

Particulars (a)	Total (b)	
Name of Plant		1
Unit Identification		2
Type of Generation		3
kWh Net Generation (000)	0	4
Is Generation Metered or Estimated?		5
Is Exciter & Station Use Metered or Estimated?		6
60-Minute Maximum Demand--kW (est. if not meas.)	0	7
Date and Hour of Such Maximum Demand	1/1/1998 0	8
Load Factor		9
Maximum Net Generation in Any One Day	0	10
Date of Such Maximum		11
Number of Hours Generators Operated		12
Maximum Continuous or Dependable Capacity--kW	0	13
Is Plant Owned or Leased?		14
Total Production Expenses	0	15
Cost per kWh of Net Generation (\$)		16
Monthly Net Generation --- kWh (000): January	0	17
February	0	18
March	0	19
April	0	20
May	0	21
June	0	22
July	0	23
August	0	24
September	0	25
October	0	26
November	0	27
December	0	28
Total kWh (000)	0	29
Gas Consumed--Therms	0	30
Average Cost per Therm Burned (\$)	0.0000	31
Fuel Oil Consumed Barrels (42 gal.)	0	32
Average Cost per Barrel of Oil Burned (\$)		33
Specific Gravity		34
Average BTU per Gallon		35
Lubricating Oil Consumed--Gallons	0	36
Average Cost per Gallon (\$)		37
kWh Net Generation per Gallon of Fuel Oil		38
kWh Net Generation per Gallon of Lubr. Oil		39
Does plant produce steam for heating or other purposes in addition to elec. generation?		40
Coal consumed--tons (2,000 lbs.)	0	42
Average Cost per Ton (\$)		43
Kind of Coal Used		44
Average BTU per Pound		45
Water Evaporated--Thousands of Pounds	0	46
Is Water Evaporated, Metered or Estimated?		47
Lbs. of Steam per Lb. of Coal or Equivalent Fuel		48
Lbs. of Coal or Equiv. Fuel per kWh Net Gen.		49
Based on Total Coal Used at Plant		50
Based on Coal Used Solely in Electric Generation		51
Average BTU per kWh Net Generation		52
Total Cost of Fuel (Oil and/or Coal)		53
per kWh Net Generation (\$)		54

PRODUCTION STATISTICS

Particulars (a)	Plant (b)	Plant (c)	Plant (d)	Plant (e)
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NONE

STEAM PRODUCTION PLANTS

1. Report each boiler and each generating unit separately. Indicate any other than 60 hertz.
 2. In columns (c) and (i), report year equipment was first placed in service, regardless of subsequent change in ownership.

Boilers							
Name of Plant (a)	Unit No. (b)	Year Installed (c)	Rated Steam Pressure (lbs.) (d)	Rated Steam Temp. F. (e)	Type (f)	Fuel Type and Firing Method (g)	Rated Maxi- mum Steam Pressure (1000 lbs./hr.) (h)
NONE							1
Total							<u><u>0</u></u>

INTERNAL COMBUSTION GENERATION PLANTS

1. Report each boiler and each generating unit separately. Indicate any other than 60 hertz.
 2. In column (c) and (h), report year equipment was first placed in service, regardless of subsequent change in ownership.

Prime Movers						
Name of Plant (a)	Unit No. (b)	Year Installed (c)	Type (Recip. or Turbine) (d)	Manufacturer (e)	RPM (f)	Rated HP Each Unit (g)
NONE						1
Total						<u><u>0</u></u>

STEAM PRODUCTION PLANTS (cont.)

3. Under column (j), report tandem-compound (TC); cross-compound (CC); single casing (SC); topping unit (T); noncondensing (NC); and reciprocating (R). Show back pressure.
4. In column (q), report actual load in kW which the plant will carry over an indefinite period as determined by experience or accredited capability tests.

Turbine-Generators								
Year Installed (i)	Type (j)	RPM (k)	Voltage (kV) (l)	kWh Generated by Each Unit During Yr. (000's) (m)	Rated Unit Capacity		Total Rated Plant Capacity (kW) (p)	Total Maximum Continuous Capacity (kW) (q)
				kW (n)	kVA (o)			
Total				0	0	0	0	0

1

INTERNAL COMBUSTION GENERATION PLANTS (cont.)

3. In column (n), report actual load in kW which the plant will carry over an indefinite period as determined by experience or accredited capability tests.

Generators						
Year Installed (h)	Voltage (kV) (i)	kWh Generated by Each Unit Generator During Yr. (000's) (j)	Rated Unit Capacity		Total Rated Plant Capacity (kW) (m)	Total Maximum Continuous Plant Capacity (kW) (n)
			kW (k)	kVA (l)		
Total		0	0	0	0	0

1

HYDRAULIC GENERATING PLANTS

1. In column (d), indicate type of unit--horizontal, vertical, bulb, etc.
2. In column (j), report operating head as indicated by manufacturer's rating of wheel horsepower.

Name of Plant (a)	Name of Stream (b)	Control (Attended, Automatic or Remote) (c)	Type (d)	Prime Movers			
				Unit No. (e)	Year Installed (f)	RPM (g)	Rated HP Each Unit (h)

NONE

HYDRAULIC GENERATING PLANTS (cont.)

3. Capacity shown in column (q) should be based on the equipment installed and determined independently by stream flow; i.e., on the assumption of adequate stream flow.

Generators							Total Rated Plant Capacity (kW) (p)	Total Maximum Continuous Plant Capacity (kW) (q)
Rated Head (i)	Operating Head (j)	Year Installed (k)	Voltage (kV) (l)	kWh Generated by Each Unit During Year (000's) (m)	Rated Unit Capacity			
					kW (n)	kVA (o)		

SUBSTATION EQUIPMENT

Report separately each substation used wholly or in part for transmission, each distribution substation over 1,000 kVA capacity and each substation that serves customers with energy for resale.

Particulars (a)	Utility Designation					
	(b)	(c)	(d)	(e)	(f)	
Name of Substation	GLASS N	GLASS S	HURD 1	HURD 2	MILLWORK 1	1
Voltage--High Side	12,470	12,470	4,160	4,160	12,470	2
Voltage--Low Side	480	480	240	480	480	3
Num. Main Transformers in Operation	1	1	3	1	1	4
Capacity of Transformers in kVA	1,500	1,500	1,500	1,000	1,500	5
Number of Spare Transformers on Hand	1	1	0	1	1	6
15-Minute Maximum Demand in kW	737	700	504	907	1,132	7
Dt and Hr of Such Maximum Demand	06/01/1998	12/01/1998	01/01/1998	11/01/1998	01/01/1998	8
						9
Kwh Output	619,900	271,600	719,900	480,240	790,700	10

SUBSTATION EQUIPMENT (continued)

Particulars (g)	Utility Designation					
	(h)	(i)	(j)	(k)	(l)	
Name of Substation	MILLWORK 2	NORTH	SOUTH 1	SOUTH 2	WHELEN	16
Voltage--High Side	12,470	69,000	69,000	69,000	69,000	17
Voltage--Low Side	480	12,470	12,470	12,470	4,160	18
Num. of Main Transformers in Operation	3	1	1	1	1	19
Capacity of Transformers in kVA	1,500	10,000	10,000	10,000	5,000	20
Number of Spare Transformers on Hand	1	0	0	0	0	21
15-Minute Maximum Demand in kW	804	7,595	7,821	8,346	4,019	22
Dt and Hr of Such Maximum Demand	11/01/1998	02/01/1998	02/11/1998	06/01/1998	07/14/1998	23
						24
Kwh Output	619,900	955,462	750,368	714,052	964,115	25

SUBSTATION EQUIPMENT (continued)

Particulars (m)	Utility Designation					
	(n)	(o)	(p)	(q)	(r)	
Name of Substation	WS VINYL					31
Voltage--High Side	12,470					32
Voltage--Low Side	480					33
Num. of Main Transformers in Operation	1					34
Capacity of Transformers in kVA	2,500					35
Number of Spare Transformers on Hand	0					36
15-Minute Maximum Demand in kW	1,332					37
Dt and Hr of Such Maximum Demand	07/01/1998					38
						39
Kwh Output	928,800					40

ELECTRIC DISTRIBUTION METERS & LINE TRANSFORMERS

Particulars (a)	Number of Watt-Hour Meters (b)	Line Transformers		
		Number (c)	Total Cap. (kVA) (d)	
Number first of year	3,147	1,171	56,438	1
Acquired during year	7	42	1,883	2
Total	3,154	1,213	58,321	3
Retired during year	35	21	365	4
Sales, transfers or adjustments increase (decrease)		7	532	5
Number end of year	3,119	1,199	58,488	6
Number end of year accounted for as follows:				7
In customers' use	2,975	1,035	44,383	8
In utility's use	4	4	65	9
Inactive transformers on system		2	200	10
Locked meters on customers' premises				11
In stock	140	158	13,840	12
Total end of year	3,119	1,199	58,488	13

STREET LIGHTING EQUIPMENT

1. Under column (a) use the following types: Sodium Vapor, Mercury Vapor, Incandescent, Fluorescent, Metal Halide/Halogen, Other.
2. Indicate size in watts, column(b).
3. If breakdown of kWh column (d) is not available, please allocate based on utility's best estimate.

Particulars (a)	Watts (b)	Number Each Type (c)	kWh Used Annually (d)	
Street Lighting Non-Ornamental				
Mercury Vapor	75	1	1,468	1
Mercury Vapor	250	167	224,342	2
Sodium Vapor	70	72	34,430	3
Sodium Vapor	100	51	29,727	4
Sodium Vapor	150	372	253,354	5
Sodium Vapor	250	171	201,981	6
Total		834	745,302	
Ornamental				
NONE				7
Total		0	0	
Other				
NONE				8
Total		0	0	

ELECTRIC OPERATING SECTION FOOTNOTES

Electric Operation & Maintenance Expenses (Page E-03)

Account-571 - Increased due to additional repairs in 1998 performed by utility staff.

Account-910 - 1997 expense included \$40,042 of amortization costs on the demand side management program, which was not charged in 1998.

Account-924 - Changed method for allocating insurance during in 1998.

Account-928 - Increased costs for attorney services in 1998 related to regulatory issues.

Electric Utility Plant in Service (Page E-06)

Account 368 - Transformers - Capacitor additions to improve power; usual upgrades replacements and additions.

Account 373 - Line Transformers - North main street lighting project.

Adjustments-rounding
